



Review and Update of the World Bank's Environmental and Social Safeguard Policies

Phase 3

Feedback Summary

Date: January 14, 2016

Location (City, Country): Istanbul, Turkey

Audience (Government, Implementing agencies, Multi-stakeholder, etc.): Multi-stakeholder

ESF	Issue	Items	Feedback
Vision	Human Rights	1. Approach to human rights in the ESF	
ESP/ ESS1	Non-discrimination and vulnerable groups	2. Explicit listing of specific vulnerable groups by type/name (age, gender, ethnicity, religion, physical, mental or other disability, social, civic or health status, sexual orientation, gender identity, economic disadvantages or indigenous status, and/or dependence on unique natural resources) 3. Specific aspects of the non-discrimination principle in complex social and political contexts, including where recognition of certain groups is not in accordance with national law	
	Use of Borrower's Environmental and Social Framework	4. Role of Borrower frameworks in the management and assessment of environmental and social (E&S) risks and impacts where these will allow projects to achieve objectives materially consistent	

		<p>with Environmental and Social Standards (ESSs)</p> <p>5. Approach for making decision on the use of Borrower frameworks, including the methodology for assessing where frameworks will allow projects to achieve objectives materially consistent with the ESSs, and the exercise of Bank discretion</p> <p>6. Role of Borrower frameworks in high and substantial risk projects</p>	<ul style="list-style-type: none"> • <u>Use of Borrower frameworks:</u> Would the Bank be externalizing/outsourcing its decision-making responsibility by using national laws?
	Co-financing/ common approach	7. Arrangements on E&S standards in co-financing situations where the co-financier's standards are different from those of the Bank	
	Adaptive risk management	8. Approach to monitoring E&S compliance and changes to the project during implementation	<ul style="list-style-type: none"> • <u>Risk management approach:</u> If the risk level changes during implementation, will this change be reflected in the ESCP?
	Risk classification	9. Approach to determining and reviewing the risk level of a project	<ul style="list-style-type: none"> • <u>Sectoral risk categorization:</u> The Bank should consider following EBRD's model of sectoral risk categorization. For FIs, determining the risks of all sub-projects one-by-one would be too slow, but a pre-determined sectoral risk categorization system would allow FIs to act faster.
ESS1	Assessment and management of environmental and social risks and impacts	<p>10. Assessment and nature of cumulative and indirect impacts to be taken into account</p> <p>11. Treatment of cumulative and indirect impacts when identified in the assessment of the project</p> <p>12. Establishing project boundaries and the applicability of the ESSs to Associated Facilities, contractors, primary suppliers, FI subprojects and directly funded sub-projects</p> <p>13. Circumstances under which the Bank will determine whether the Borrower will be required to retain independent third party specialists</p>	<ul style="list-style-type: none"> • <u>Cumulative impacts:</u> Work performed on IFC projects has shown that the private sector cannot do cumulative impact analysis alone or effectively. In the Bank's public sector projects, the public sector could better manage the cumulative impact analysis. • <u>Categorical approaches for FIs:</u> The World Bank wants to assess risks for each project, but has it considered possibly providing "ready-made" solutions? In particular, FIs would benefit from categorical determinations of what is or is not acceptable under the Bank's standards. For example, for investments in Organized Industrial Zones, could we automatically agree that Land Acquisition/Involuntary Resettlement is not an issue,

			<p>because all the land inside these industrial zones belongs to the enterprises?</p> <ul style="list-style-type: none"> • <u>Organized Industrial Zones</u>: For FIs, it is important to have a list of exclusions for the application of some Bank standards in certain sub-projects, especially in organized industrial zones.
	Environmental and Social Commitment Plan (ESCP)	14. Legal standing of the ESCP and implications of changes to the ESCP as part of the legal agreement	
ESS2	Labor and working conditions	<p>15. Definition and necessity of and requirements for managing labor employed by certain third parties (brokers, agents and intermediaries)</p> <p>16. Application and implementation impacts of certain labor requirements to contractors, community and voluntary labor and primary suppliers</p> <p>17. Constraints in making grievance mechanisms available to all project workers</p> <p>18. Referencing national law in the objective of supporting freedom of association and collective bargaining</p> <p>19. Operationalization of an alternative mechanism relating to freedom of association and collective bargaining where national law does not recognize such rights</p> <p>20. Issues in operationalizing the Occupational Health and Safety (OHS) provisions/standards</p>	
ESS3	Climate change and GHG emissions	<p>21. The relation between provisions on climate change in the ESF and broader climate change commitments, specifically UNFCCC</p> <p>22. Proposed approaches to measuring and monitoring greenhouse gas (GHG) emissions in Bank projects and implications</p>	

		<p>thereof, in line with the proposed standard, including determining scope, threshold, duration, frequency and economic and financial feasibility of such estimation and monitoring</p> <p>23. Implications required for the Borrower of estimating and reducing GHG emissions for Bank projects, in line with the proposed standard</p>	<ul style="list-style-type: none"> • <u>Energy efficiency and pollution prevention</u>: What exactly is required under this ESS – greenhouse gas emission neutrality/thresholds? What about for energy efficiency – is there a threshold?
ESS5	Land acquisition and involuntary resettlement	<p>24. Treatment and rights of informal occupants and approach to forced evictions in situations unrelated to land acquisitions</p> <p>25. Interpretation of the concept of resettlement as a “development opportunity” in different project circumstances</p>	<ul style="list-style-type: none"> • <u>Turkish expropriation law</u>: The Turkish policy on using an “urgent expropriation” approach has negatively impacted people, particularly when applied without sufficient advance notice. It is important not to accept this approach. • <u>Forced eviction</u>: The first sentence of ESS5 paragraph 31 on forced eviction is very good and strong, but the last sentence ruins the effect by being vague and weak (particularly the reference to national law). The language used creates a serious reputational risk for the World Bank. Thus, more guidance and stringent language is required. • <u>Resettlement as development opportunity</u>: It is very good of the Bank to elevate resettlement as a development opportunity to the level of an objective under ESS5, as often it does not receive much attention. In addition, the line about available loan funding for resettlement projects is also welcome, as usually budgets for RAPs are very insufficient and overlooked.
ESS6	Biodiversity	<p>26. Operationalization of the provisions on primary suppliers and ecosystem services, especially in situation with low capacity</p> <p>27. Role of national law with regard to protecting and conserving natural and critical habitats</p>	

		<p>28. Criteria for biodiversity offsets, including consideration of project benefits</p> <p>29. Definition and application of net gains for biodiversity</p>	
ESS7	Indigenous Peoples	<p>30. Implementation of the Indigenous Peoples standard in complex political and cultural contexts</p> <p>31. Implementation of ESS7 in countries where the constitution does not acknowledge Indigenous Peoples or only recognizes certain groups as indigenous</p> <p>32. Possible approaches to reflect alternative terminologies used in different countries to describe Indigenous Peoples</p> <p>33. Circumstances (e.g. criteria and timing) in which a waiver may be considered and the information to be provided to the Board to inform its decision</p> <p>34. Criteria for establishing and implementation of Free, Prior and Informed Consent (FPIC)</p> <p>35. Comparison of proposed FPIC with existing requirements on consultation</p> <p>36. Application of FPIC to impacts on Indigenous Peoples' cultural heritage</p>	
ESS8	Cultural Heritage	<p>37. Treatment of intangible cultural heritage</p> <p>38. Application of intangible cultural heritage when the project intends to commercialize such heritage</p> <p>39. Application of cultural heritage requirements when cultural heritage has not been legally protected or previously identified or disturbed</p>	
ESS9	Financial Intermediaries	40. Application of standard to FI subprojects and resource implications depending on risk	<ul style="list-style-type: none"> • <u>Scope of ESF application to FIs: Do FIs only need to pay attention to ESS9 or all the ESSs?</u>

		41. Harmonization of approach with IFC and Equator Banks	<ul style="list-style-type: none"> • <u>Burden on FIs</u>: In Turkey FIs operate in a very competitive environment in which they are competing for business with many lenders. The Bank needs to avoid putting too much of a burden on FIs (and their sub-borrowers), as doing so would make them uncompetitive.
ESS10	Stakeholder engagement	42. Definition and identification of project stakeholders and nature of engagement 43. Role of borrowing countries or implementing agencies in identifying project stakeholders	<ul style="list-style-type: none"> • <u>Stakeholder engagement</u>: There is a broad divergence of approach with respect to the application of stakeholder engagement requirements, especially between national law and international good practice. It is good that the ESF emphasizes the latter. Will the Bank have specific guidelines that pin down which practices are not acceptable? What about minimum requirements?
General	EHSG and GIIP	44. Application of the Environmental, Health and Safety Guidelines (EHSGs) and Good International Industry Practice (GIIP), especially when different to national law or where the Borrower has technical or financial constraints and/or in view of project specific circumstances	<ul style="list-style-type: none"> • <u>GIIP – security personnel</u>: There is a lot of reference to GIIP and security personnel, especially in ESS4. Given the serious risk posed to security personnel in projects, the Bank should also make reference to the <i>Voluntary Principles on Security and Human Rights</i>.
	Feasibility and resources for implementation	45. Implementation and resource implications for Borrowers, taking into account factors such as the expanded scope of the proposed ESF (e.g., labor standard), different Borrower capacities and adaptive management approach 46. Mitigation of additional burden and cost and options for improving implementation efficiency while maintaining effectiveness	
	Client capacity building and implementation support	47. Funding for client capacity building 48. Approaches and areas of focus 49. Approach to implementing the ESF in situations with capacity constraints, e.g., FCS, small states and emergency situations	
	Disclosure	50. Timing of the preparation and disclosure of specific environmental and social impact	

		assessment documents (related to ESS1 and ESS10)	
	Implementation of the ESF	51. Bank internal capacity building, resourcing, and behavioral change in order to successfully implement the ESF 52. Ways of reaching mutual understanding between Borrower and Bank on issues of difficult interpretation	
Other issues			<ul style="list-style-type: none"> • <u>Issue Priorities:</u> Participants prioritized ESS1, ESS2, ESS5, ESS9, adaptive risk management, and implementation of the ESF.